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MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE.

SUBJECT: Comments on the President's Executive Order, U.S. Foreign Intelligence Community

- I have reviewed the Executive Order. It provides the framework for continuing a viable, responsive Intelligence Community. Its implementation will necessitate a high degree of cooperation within the Community. Be assured that I (and DIA) am available to provide whatever assistance you may need.
- With respect to specific aspects of the Executive Order, there are several areas that are of some concern. These include:

a. Replacement for USIB

In addition to its important function in the estimative process, the USIB provides a forum for the principals within the Intelligence Community to input departmental priorities for substantive production and requirements into the national arena and to develop policy and guidance. The mechanism which replaces the USIB must continue to provide a similar forum for departmental inputs. The USIB substantive intelligence production/estimative function should be clearly separated from resources and budget matters--be subordinated to the DCI and be separately supported by a major portion of the IC Staff.

b. Budget Activity

The relationship between the Committee on Foreign Intelligence (CFI) and the Office of Management and Budget (OMB) is unclear. With CFI responsible for the National Foreign Intelligence Program (NFIP), it may be possible to significantly revise the detailed, in-depth OMB budget reviews of the past. The alternative burden of an additional review layer can be costly.

Intelligence Community Staff

With the IC Staff assuming the additional function of support for the CFI, any necessary restructuring should ensure that the composition of that Staff is representative of the entire Intelligence Community, drawing from the best resources The CFI element of the IC Staff should be clearly separated from that portion of the IC Staff supporting preeminent DCI responsibilities. The former should deal with high level resource and budget matters and major production resource policy. The latter should involve itself with substantive intelligence and intelligence production matters and policies attendant thereto.

d. Intelligence Production

The Executive Order authorized CIA to produce all categories of intelligence, including military. We should avoid duplication, particularly in the area of military intelligence, which is the primary concern of the DoD. Revision of NSCID Number 3, "Coordination of Intelligence Production, " should clearly spell out production responsibilities in consonance with departmental missions and responsibilities.

- I believe the NIO arrangement is a good one. It might be well to institutionalize it as your (DCI) "Office of Senior Advisors." Further, I would suggest you give each of the NIOs therein additional dedicated research and administrative assistance.
- SUMMARY: The Executive Order allows for the building of greater excellence of intelligence for the nation. The national system must be protected with checks and balances to assure objectivity and freedom from bias. Provided that the production of substantive intelligence is clearly isolated from current policy, resource-dampening and the impact of change in political appointments, it can flourish. While we may not be allowed the luxury of status quo, I would point out that the status quo has been the product of nearly thirty years of trial and error. Balance in recent investigations would have shown, as we know, that the estimative process is the best in the world--better each year. We should resist the suggestions of the plunderers and scavengers lest bits and pieces of the robe fail to warm any of the players.

Acting Director